

FOR IMMEDIATE RELEASE

## **NEUGENESIS AND GENENCOR ANNOUNCE INITIATION OF PHASE II OF A COLLABORATIVE R & D PROJECT**

**Neugenesis Corporation, San Carlos, CA--July 17, 2001--**Neugenesis Corporation and Genencor International today announced the initiation of the second phase of a collaborative research and development project designed to improve an important industrial enzyme. This project couples Neugenesis' proprietary directed evolution technologies with Genencor's exceptional platforms for screening improved enzyme activities for diversity in fungal genes in order to generate and identify more robust and useful products.

"This collaborative project with Genencor International provides significant third party validation for the potential of our emerging technology in the area of directed evolution" said Neugenesis President and CEO, W. Dorsey Stuart. "Neugenesis has key patent filings on these technologies developed by CSO Edward Cambareri and on synergistic technology developed by consultant David Catcheside." "Early results support our confidence in the broad applicability and usefulness of these platforms."

"As the industry leader in directed molecular evolution, we constantly look for new tools through collaborations to bring a product to market quickly and efficiently," said Michael V. Arbige, senior vice president, Technology for Genencor. "We look forward to the opportunities generated by this collaboration with Neugenesis."

Neugenesis Corporation is a privately held biotechnology company focused on generation of diversity of single gene products and multi-gene pathways. Neugenesis holds a strong intellectual property position in the areas of in vivo gene diversification and in vivo combinatorial biology. Both platforms are synergistically coupled to protein expression for direct readout of altered properties of newly created proteins including enzymes involved in small molecule synthesis. Thus the Neugenesis technology platforms have applications across a wide range of biotechnology products from small molecule drug discovery through new and improved biopharmaceuticals.

Genencor International is a diversified biotechnology company that develops and delivers innovative products into the health care, agriculture, industrial and consumer markets. Genencor's products deliver innovative and sustainable solutions to many of the problems of everyday life.

Except for the historical information contained herein, the matters discussed in this press release may contain forward-looking statements which involve risks and uncertainties, including significant fluctuations in product performance depending on factors such as a dependence on the efforts of third parties, new and uncertain technology employed by Genencor and Neugenesis and its uncertain application to new business ventures, failure to develop products for the health care markets, inability to complete certain transactions and realize anticipated benefits from acquisitions, dependence on intellectual property rights, the competitive nature of Genencor's and Neugenesis' industry and risks of obsolescence of certain technology. Actual results may differ materially from those projected. Forward-looking statements represent the judgment of Genencor and Neugenesis as of the date of this press release. Genencor and Neugenesis disclaim, however, any intent or obligation to update any forward-looking statements.

For further information contact <http://www.neugenesis.com> and [www.genencor.com](http://www.genencor.com)

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